

Senate Finance Subcommittee

Sen. Dennis Egan
Subcommittee Chair



Subcommittee Members
Sen. Gary Stevens
Sen. Bettye Davis
Sen. Joe Paskvan

Department of Education & Early Development

The Senate Finance Budget Subcommittee for the Department of Education & Early Development submits an Operating Budget to the Senate Finance Committee for FY 12 as follows:

	FY11 Mgt Pln	FY12 Adj Base	Gov Amend	Senate Subcom	House
Unrestricted GF	58,939.2	56,555.1	69,120.8	69,182.0	64,426.0
Designated GF	12,297.1	12,321.2	13,958.4	13,958.4	13,958.4
Other	22,897.2	23,196.5	25,506.7	25,506.7	25,142.6
Federal Funds	215,201.6	215,461.9	233,350.5	233,350.5	230,456.2
Total	309,335.1	307,534.7	341,936.4	341,997.6	333,983.2

Positions

PFTs	337	337	337	337	337
PPTs	12	12	12	12	12
Temps	4	4	8	8	8
Total Positions	353	353	357	357	357

The Subcommittee held four meetings with the department and took the following actions:

Budget Action

Accepted the Governor's amended proposal with the following adjustments:

- Removed \$8.0 GF travel funding for the Council on Education for Military Children. The fiscal note attached to the bill joining the council instructed the department to fund participation from within its existing budget. The subcommittee recommends funding \$13.1 to pay Alaska's membership, as requested by the governor.
- Removed \$18.3 GF from the travel line in Executive Administration. After discussions with the department, this will provide adequate resources for responsible state board and commissioner's office travel and bring 'truth in budgeting' to this component.

- Added \$87.5 in G/F Match to the grants line in the Alaska State Council on the Arts to fully fund the state match. These added dollars will be used to expand the reach of the Artists in Schools program to more Alaska children.
- Increased GF to the Alaska Advantage grant program by \$7,121.9. The unmet need of Alaskans seeking postsecondary education at Alaska institutions is close to \$9 million. The subcommittee's recommendation invests in Alaskans who are struggling to access the higher education they're already pursuing.
- Reduced GF to the Alaska Performance Scholarship program by \$7,121.9. This recommendation allows the department to begin implementing the program and gather real data on student demand, rather than rely on estimates. By implementing the program gradually, Alaska school districts will have the chance to improve course offerings to students. Many small and rural districts currently lack adequate course offerings for their students to access the APS dollars, creating an unequal opportunity.

Attached Reports (numbers only)

1. Agency Totals – FY 12 Operating Budget – Senate Structure
2. Appropriation/Allocation Summary (GF) – Senate Structure
3. Appropriation/Allocation Summary (all funds) – Senate Structure
4. Transaction Comparison (Adj. Base and Senate Subcom)
5. Transaction Comparison (Gov. Amd and Senate Subcom)
6. Transaction Comparison (House and Senate Subcom)
7. Wordage Report – FY 12 Operating Budget – Senate Structure

Respectfully submitted,



Senator Dennis Egan
Senate Subcommittee Chair
March 15th, 2011



Senator Joe Paskvan

Alaska State Senate • District E • Fairbanks • Ft Wainwright

TO: Senator Dennis Egan, Chair
Department of Education and Early Development
Senate Budget Subcommittee

Cc: Senator Lyman Hoffman, Co-Chair
Senate Finance Committee

FROM: Senator Joe Paskvan, Senate District E

DATE: March 9, 2011

RE: Scholarship Funding

I propose that this committee fund the following:

Alaska Advantage Education Grant Fund: \$8,221,900 UGF
Alaska Performance Scholarship Award: \$1,100,000 UGF

This proposal is a \$7,121,900 increment to the Governor's proposed funding for the Alaska Advantage Education Grant and a \$7,121,900 decrement to the Governor's proposed funding for the Alaska Performance Scholarship Award. These proposed changes will have a net zero impact to the Department's total budget.

These two programs are about much more than simply giving Alaska's smart and hardworking young people money for college. They are about providing new opportunity for those that want to spend countless nights reading, writing, studying, and ultimately learning in such a way to make themselves, through their hard work and determination, better trained, better educated and well suited for an increasingly competitive economy and complex world. This opportunity must be available to Alaskans from every region, every walk of life, and every age.

This sub-committee has heard testimony from the Alaska Commission on Postsecondary Education (ACPE) that the average unmet financial need among grant recipients is \$14,538. The total unmet need to fully fund the Alaska Advantage grant is estimated at \$8,500,000. Prompted by my request for current information, the University of Alaska recently estimated the total unmet financial need in Alaska is a staggering \$9,000,000., far above the Governor's FY12 funding request for the Alaska Advantage program.

However, this committee has heard testimony from the department that indicates they are not prepared to accurately predict how many students will qualify for the Alaska Performance Scholarship this year.

In Juneau:

State Capitol, Juneau, AK 99801
(907) 465-3709 Office • (907) 465-4714 Fax

senator_joe_paskvan@legis.state.ak.us



In Fairbanks:

1292 Sadler Way, Ste. 308 Fairbanks, AK 99701
(907) 451-4347 Office • (907) 451-4348 Fax

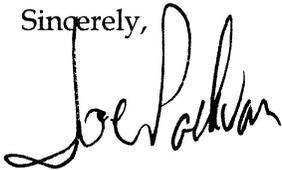
Further, I am concerned that students from smaller districts, which do not have the courses available to them, will be systemically disqualified from fully utilizing the scholarship in the timeframe prescribed in statute. I have not seen adequate evidence to demonstrate that every district in our state is sufficiently prepared to provide every student equal opportunity to the Alaska Performance Scholarship. Enough time should pass and ample resources should be allocated toward ensuring that each student seeking a postsecondary education can equally have access to this performance scholarship money.

In this sub-committee, the department suggested that those students, who were unable to qualify for the Performance Scholarship because courses were not available to them, take additional courses in the summer. But who pays? This would pass on to these students, through no fault of their own, an inequitable cost and burden. I am seriously concerned that this approach is dangerously close to a [unlawful] back-door separate-but-equal public policy and it must be addressed.

I commend the Alaska Performance Scholarship Award's intent to provide an incentive for high school students to take a more rigorous curriculum to better prepare for college or job training and success. We must recognize that this year's graduating cohort was not aware of this incentive when they made class selections over the last four years and so should not be penalized with restricted opportunity to a postsecondary education. Furthermore, no high performing student should be penalized because rigorous course offerings were unavailable to them.

The Alaska Advantage Grant program focuses resources on providing this life-changing postsecondary opportunity to those that truly need it. This proposed increase that I have submitted will meet the need for financial aid that we know exists in Alaska. Every student that demonstrates financial need, regardless of race, location or even age, may qualify for the Alaska Advantage Grant program and so will have access to our constitutionally established University. Focus should be made here before Alaska's students, all of them, have the opportunity granted under the worthy performance scholarship concept.

Sincerely,

A handwritten signature in black ink, appearing to read "Joe Paskvan". The signature is written in a cursive, flowing style with a large initial "J".

Senator Joe Paskvan